Approved For Release 2005/06/01 : CIA-RDP79T00975A001600200001-6

TOP SECRET

ED

24 June 1954

25X1

25X1

Copy No. 80

CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 26
NO CHANGE IN CLASS. ☑
☐ DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 2/1/80 REVIEWER:

25X1

25X1

DIA and DOS review(s) completed.

NAVY review(s) completed.

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

25X1

25X1

PLEASE RETURN TO
AGENCY ARCHIVES,

27720

Approved For Release 2005/06/01 : CIA-RDP79T00975A001600200001-6

TOP SECRET

25X1A
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

SUMMARY

GENERAL

25X1

1. Soviet tanker apparently seized by Chinese Nationalists (page 3).

SOUTHEAST ASIA

3. Cease-fire line in Tonkin being drawn by French and Vietnamese (page 4).
4. "Large quantities" of Chinese aid to Viet Minh reported (page 6).
5. Chinese Communist military posts reported inside Burma (page 7).

NEAR EAST - AFRICA

25X1

25X1

7. Hammarskjold plans to remove Palestine truce supervisor (page 8).

WESTERN EUROPE

9. Britain proposes joint action to end West German occupation (page 9).

25X1

DIA and DOS review(s) completed.

* * * *

25X1A

Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

25X1A
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

GENERAL

1. Soviet tanker apparently seized by Chinese Nationalists:

25X1A

The US Seventh Fleet reported on 23 June that the Russian tanker Tuapse had been sighted that morning "dead in the water" about 100 miles due south of Formosa. Two Chinese Nationalist destroyer escorts were observed standing by.

25X1

Comment: The Tuapse has apparently been seized, and, if so, will probably be escorted to Formosa.

This vessel is a new tanker, built in Denmark in 1953, of 9,051 gross tons.

25X1

As of 23 June, three other Russian tankers were following it at some distance to the southwest.

25X1

The USSR, following the policy adopted after Nationalist seizure of the Polish tanker Praca last October, may divert the other tankers to the port of Canton. The Chinese Communists could provide air and naval protection as the ships approached South China coastal waters.

Moscow's immediate reaction is expected to take the form of protests to the United States and the UN, describing the incident as piracy, and charging American responsibility. These charges will be widely accepted, especially in the Far East.

Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5
25X1A

25X1

[redacted]

SOUTHEAST ASIA

25X1A 3. Cease-fire line in Tonkin being drawn by French and Vietnamese:

[redacted]

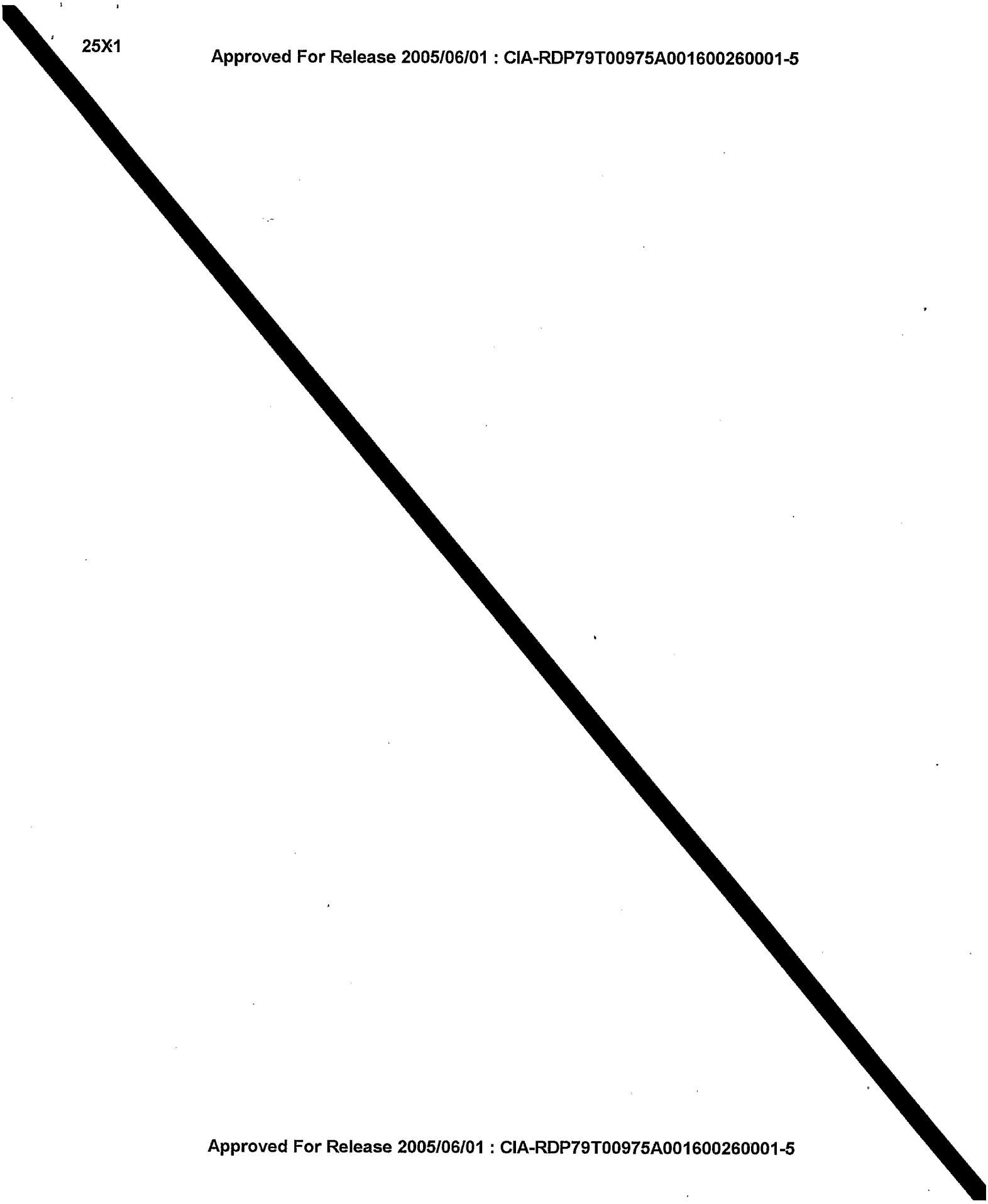
French and Vietnamese officials in Hanoi believe a cease-fire in Vietnam is inevitable, and that this would be a long step toward handing over Tonkin to the Viet Minh, according to the American consul.

25X1 [redacted]

25X1A [redacted]

25X1

Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5



Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

25X1A [redacted]
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

Comment: The Communists at Geneva have been reported claiming current control over all of the delta except Hanoi and Haiphong, and another report suggests they may bid for those cities as well in any settlement.

25X1A 4. "Large quantities" of Chinese aid to Viet Minh reported:

[redacted] 25X1
[redacted] Chinese materiel 25X1
have crossed the border into Viet Minh-held territory during the past several weeks. The materiel, consisting largely of ammunition and heavy weapons, included between 36 and 50 105mm howitzers.
[redacted] a large pro- 25X1
portion of this materiel was destined for the Thai Nguyen area, just north of the Tonkin delta, where one enemy division and nine battalions in training are located.

French headquarters in Saigon, meanwhile, still foresees the possibility of a new Viet Minh division consisting of the nine battalions at Thai Nguyen, according to the American army attaché in Saigon. It is now known, he states, that three of these battalions were originally intended to be an artillery regiment and they may still be trained as such.

Comment: This report supports previous estimates that the Viet Minh is continuing to maintain a capability for a full-scale attack on the delta during the rainy season. The decision as to whether to make such an attack will probably rest largely on political considerations.

25X1A [redacted]
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

25X1A
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

5. Chinese Communist military posts reported inside Burma:

25X1

25X1A

The Chinese Communists have established three military posts within the Burmese Wa States, The posts are said to be garrisoned by a total of 500 men.

25X1 25X1 a Burmese government official in the Wa States told local leaders that Burmese and Chinese Communists were working closely together in the administration of the Wa country, which lies on both sides of the border.

Comment: There have been periodic reports of Chinese Communist incursions into the Burmese Wa States, but this is the first to indicate permanent occupation of any part of the area.

The military posts are located on the Burmese side of a boundary agreed to by the British and Chinese Nationalists in 1941. A Chinese atlas of December 1953 placed the border considerably to the west and the establishment of the military posts suggests Peiping's intent to bring this additional area under its administration.

25X1

25X1A

2

Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

[redacted]

7. Hammarskjold plans to remove Palestine truce supervisor:

25X1A [redacted]

UN secretary general Hammarskjold plans to remove General Bennike as Palestine truce supervisor in the near future, according to the British UN delegate.

Comment: The Israeli government has repeatedly accused the truce supervisor of bias, and the press has been campaigning for his removal. In the opinion of most Western officials in the area, however, Bennike has been impartial in the difficult job which he has held since June 1953.

25X1 [redacted]

[redacted]

[redacted]

WESTERN EUROPE

25X1A **9. Britain proposes joint action to end West German occupation:**

[redacted] The Foreign Office has informed the American embassy in London that it is prepared to begin talks on bringing the contractual agreements with West Germany into force. The embassy has the impression that Britain is ready to risk breaking with France on this issue. Some British officials feel, however, that France would accede "with a sigh of relief."

The British have drafted two treaties. The first would put the Bonn conventions into effect immediately. The second, for use in the event France rejects the first, would restore German sovereignty in the British and American zones. In either case, German rearmament would be the subject of separate negotiations.

Comment: Eden warned Mendes-France last week end that any alternative to EDC would entail greater German independence. British officials are, moreover, fully aware of the difficulties involved in separating the Bonn and Paris treaties.

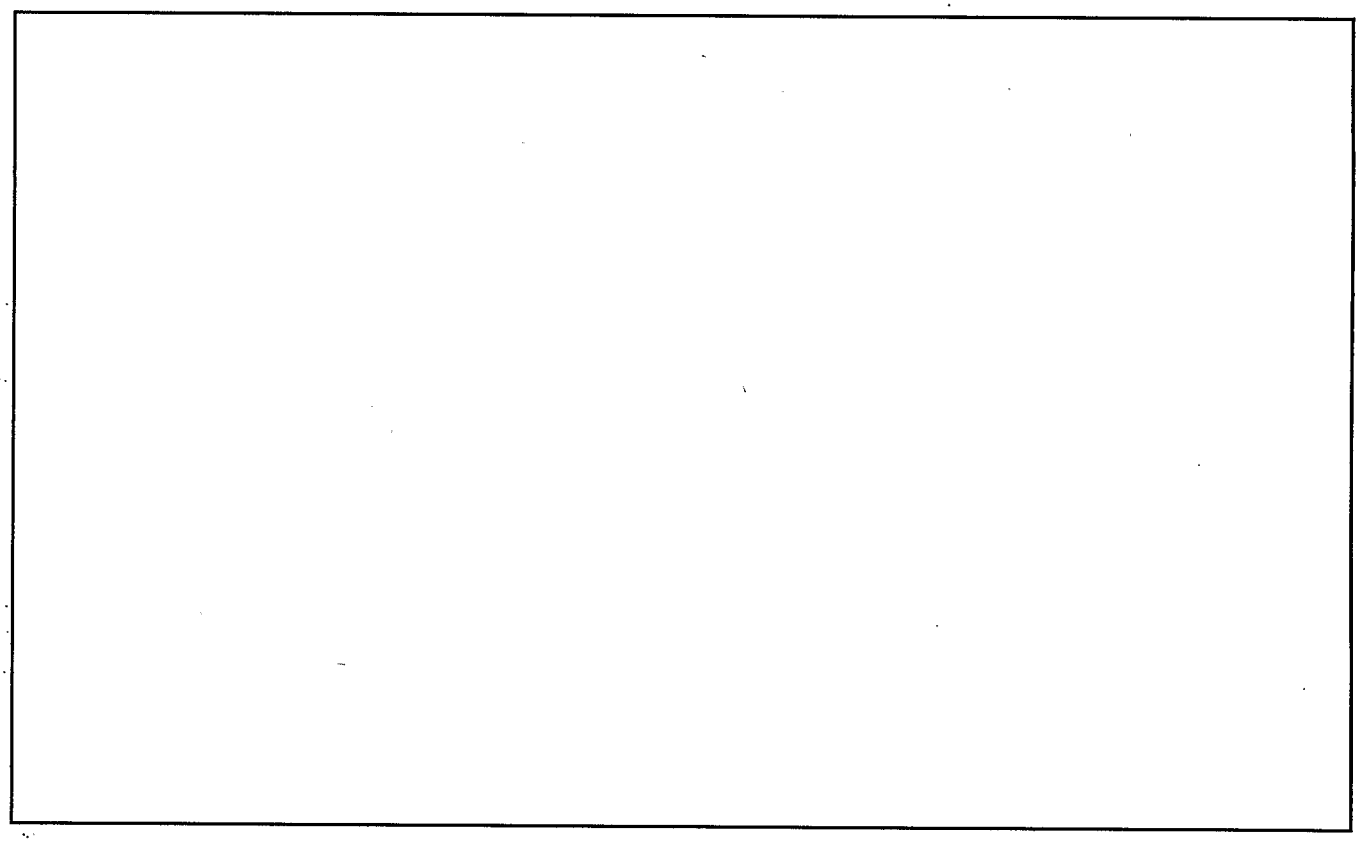
Top Foreign Office officials hold privately that EDC in its present form is "dead." They continue to argue officially that EDC is the "best" way of rearming Germany, however, and they may still hope to shock the French into ratifying an acceptable modified version.

[redacted]

25X1A
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5

Former premier Paul Reynaud told Ambassador Dillon on 21 June he expects that Mendes-France will present to the National Assembly an "unworkable" compromise EDC formula, which, "if the circumstances are right," could be beaten. Reynaud felt that the present EDC treaty could then be passed.

25X1



25X1A
Approved For Release 2005/06/01 : CIA-RDP79T00975A001600260001-5